

Jane C. Sherburne  
*Deputy General Counsel  
Litigation and Compliance*

Citigroup Inc.  
1101 Pennsylvania Avenue NW  
Suite 530  
Washington, DC 20004

Tel 202 220 3690  
Fax 202 220 3699  
New York 212 793 4942  
sherburnejc@cit.com

By Telecopy and Messenger Delivery

August 30, 2002

Hon. Michael G. Oxley, Chairman  
Committee on Financial Services  
U.S. House of Representatives  
2129 Rayburn House Office Building  
Washington, DC 20515

Hon. John J. LaFalce, Ranking Member  
Committee on Financial Services  
U.S. House of Representatives  
B-301C Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Oxley and Ranking Member LaFalce:

Enclosed please find documents responsive to the Committee on Financial Services' supplemental subpoena dated today, August 30, 2002.<sup>1</sup> The enclosed spreadsheets replace the spreadsheets we submitted to the Committee on Monday, as they include the earlier information as well as additional information that the Committee has now requested in the new subpoena. In particular, the Committee's clarifying subpoena asks that we add to our earlier submission the date on which shares from IPO allocations were credited to the account of the WorldCom officers and directors in question (the so-called "entry date"); the price at which they ultimately sold their shares; and the date of sale. The enclosed spreadsheets provide all of this information.<sup>2</sup>

As we have said, we welcome the Committee's examination of the IPO allocation process at Salomon Smith Barney (SSB) and throughout the industry. For context, we note that SSB's involvement in hot IPO's is comparison to other industry participants -- **of the 100 IPOs with the largest one day gains from 1998-2001, SSB was the lead underwriter in only three.**

---

<sup>1</sup> The documents we are providing are bates numbers HRI 9 to HRI 14.

<sup>2</sup> The enclosed spreadsheets also make corrections of certain non-material errors that were inadvertently included in the spreadsheets produced on August 26.

Hon. Michael G. Oxley  
Hon. John J. LaFalce  
August 30, 2002  
Page 2

Let me make the following key points:

**First -- as we have said before, we have found no evidence that shares in IPOs were allocated as a *quid pro quo* for investment banking business.** We thus take strong exception to statements by the Committee's spokeswoman that the information we have provided to the Committee leads "inescapably" to a contrary conclusion. As noted in our August 26 letter, we believe the allocations at issue fit well within the range of discretion that regulators have traditionally accorded securities firms in deciding how to allocate IPO shares. The WorldCom officers and directors at issue were among Salomon Smith Barney's best individual customers; in fact their individual accounts put them in approximately the top 1 percent of SSB retail clients.

**Second -- as we pointed out in our August 26 production, there is a dramatic difference in the size and value of IPO allocations between the old institutional firm, Salomon Brothers, before Travelers purchased it in November 1997, and the new merged firm of Salomon Smith Barney (SSB).** For example, the average cumulative gains to the WorldCom officers and directors was \$4.2 million for the IPO allocations from the old Salomon compared to \$41,000 at SSB; the average cumulative first-day price increase in shares allocated to the WorldCom officers and directors -- although there were only a few actual first day sales -- was \$1.8 million<sup>3</sup> compared to \$392,000 at SSB (excluding directed share programs).<sup>4</sup>

**The differences in the IPO allocation story between the old Salomon and the new SSB are just as striking on an individual basis.** For example, WorldCom CEO Bernie Ebbers realized cumulative gains of \$10.6 million (\$4.4 million in first-day gains) for the old Salomon IPOs and \$63,000 (\$924,000 in hypothetical first-day gains) for the new SSB IPOs.<sup>5</sup>

---

<sup>3</sup> First-day gains include the actual gain for an IPO recipient if he or she sold shares on the first day of trading, or the theoretical first day gain if no shares were sold.

<sup>4</sup> In a directed shares program, the issuer will designate a portion of the offering for sale at the public offering price to employees, directors and/or friends and persons related to the issuer. *Underwriters do not have any discretion over the allocation of the DSP shares.*

<sup>5</sup> This number excludes the \$440,000 Mr. Ebbers made in the Juniper deal, because he received those shares in a directed share program; SSB had no control of that allocation. For the 21 IPOs for which Mr. Ebbers received an allocation, he held his shares for an average of 224 days.

Hon. Michael G. Oxley  
Hon. John J. LaFalce  
August 30, 2002  
Page 3

**Third – contrary to press interpretation of the materials we have submitted to the Committee, SSB provides IPO allocations to a broad base of its retail clients.** In the IPOs allocated to WorldCom officers and directors, there were large numbers of retail participants -- from several hundred in small deals to tens of thousands in larger deals. The indications of interest expressed in the two documents submitted to the Committee on August 26 do not represent the allocations actually received by these brokers for their customers; *in fact*, they received around 2 percent of what they requested. This reflects SSB's desire to distribute allocations broadly, not concentrate them in a few hands.

**Fourth -- the fact that some trades are booked into a customer's account a day or two after the "trade" (or "offering") date, at the original offering price, is appropriate and common in the industry. The difference in dates occurs for a host of benign reasons. To ensure accurate books and records, the trades are booked "as of" the offering date.**

***Reasons for "as of" trades.*** Trades may be booked after the offering date because, for example, (1) the IPO gets priced after the close of business and customers cannot be reached to confirm the allocation until the next business day; (2) corrections are needed to fix errors made in the initial entry of the allocation; (3) an underwriter acting as a co-manager or syndicate member may not know the number of shares available for allocation until the evening of the offering date or the next morning; (4) for shares allocated through a directed shares program, the issuer does not provide its final allocations list until after the deal is priced; or (5) shares are reallocated because a customer reneges on an allocation before the trade settlement date. Note that in a "hot" IPO, the underwriter is barred under NASD rules from keeping any part of the new issue for its own benefit, so that in the case of a renege, the underwriter *must reallocate the originally offered shares to another customer at the original offer price* even though the shares may already be trading well above the offering price in the secondary market.<sup>6</sup>

***Differing conventions for "as of" trades.*** Although many firms in the industry use the same trade date convention as SSB, other firms consider the "trade date" to be the first day of trading in the secondary market, rather than the date on which the IPO is offered and priced. At those firms, many of the transactions that SSB records "as of" -- those where there is a one-day separation between the pricing/offering of the IPO and the entry date -- are not even considered "as of" trades. They are simply booked as "same day" trades. If SSB used that system, the vast majority of the trades it records "as of" would simply be "same day" trades.

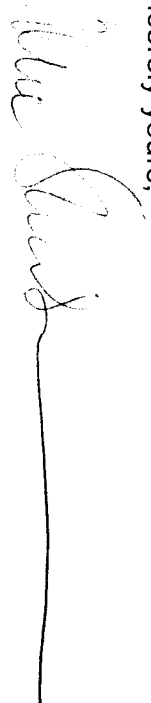
---

<sup>6</sup> See NASD IM-2110-1, "Free-Riding and Withholding."

Hon. Michael G. Oxley  
Hon. John J. LaFalce  
August 30, 2002  
Page 4

As we have stated previously, we recognize that regulatory standards are evolving, we welcome this change and we intend to be a leader in bringing this change about. In our view, maintaining public confidence in the markets is critically important. In this regard, we note that our existing policies already comply with the NASD's July 26, 2002 proposals, and we look forward to working with Congress and others on effective ways to further strengthen regulations and industry practice in the area of IPOs.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Jane Sherburne", followed by a long horizontal line.

Jane C. Sherburne

Enclosures

cc: Andrew Cochran, Majority Counsel (by telecopy)  
Lawrannne Stewart, Minority Counsel (by telecopy)

SALOMON SMITH BARNEY (POST MERGER) IPO ALLOCATIONS\*

RESPONSE TO THE SUBPOENAS OF THE HOUSE FINANCIAL SERVICES COMMITTEE TO CITIGROUP, DATED AUGUST 14, 2002 AND AUGUST 30, 2002\*\*

HRI 9

Account Title	Issuer	Book Runner (a)(b)	Managers (a) (c)	Trade Date (d)	Total Institutional and Retail Shares (e)	SSB Retail Retention (f)	Shares Allocated to Person	DSP	% of SSB Retail (f)	Acquisition Price	IPO Price (g)	Entry Date	Sales Price	Shares Sold	Sales Date	Total Gain (Loss) (h)
EBBERS, BERNARD J	SIGNALSOFT CORP	SSB	DLJ, LEHM, SSB	8/2/00	5,060,000	1,045,000	5,000		0.48%	\$17.00	\$17.00	8/3/00	\$23.0000 \$41.0000 \$30.3958	2,500 1,000 1,500	8/16/00 9/5/00 9/15/00	\$15,000.00 \$24,000.00 \$20,093.70 Subtotal Gain on Transactions \$59,093.70
EBBERS, BERNARD J	TYCOM LTD	GS, SSB	BEAR, CSFB, DLJ, LEHM, JPM, MS, BofA, CHASE HQ, DB, UBS, GS, SSB, ML	7/26/00	61,130,435	4,000,000	7,500		0.19%	\$32.00	\$32.00	7/27/00	\$36.3750	7,500	7/27/00	\$32,812.50
EBBERS, BERNARD J	KPNQWEST NV CL C	MS	SSB, GS, ABN/AMRO, WDR, MS	11/9/99	44,000,000	3,400,000	20,000		0.59%	\$20.81	\$20.81	11/9/99	\$39.4063	20,000	11/17/99	\$371,926.00
EBBERS, BERNARD J	UNITED PARCEL SERVICE CL B	MS	GS, ML, CSFB, SSB, WDR, MS	11/9/99	109,400,000	3,040,000	2,000		0.07%	\$50.00	\$50.00	11/9/99	\$58.8125	2,000	4/4/00	\$17,625.00
EBBERS, BERNARD J	CHARTERED SEMICONDUCTOR	SSB	CHASE HQ, SGCowen, Soundview, SSB, CSFB	10/29/99	25,260,900	1,885,900	5,000		0.27%	\$20.00	\$20.00	10/29/99	\$78.2500	5,000	4/4/00	\$291,250.00
EBBERS, BERNARD J	RADIO UNICA COMMUNICATIONS CRP	SSB	BEAR, CIBC, DLJ, SSB	10/18/99	7,866,000	1,057,000	4,000		0.38%	\$16.00	\$16.00	10/19/99	\$24.7550 \$11.2500	2,000 2,000	10/21/99 4/4/00	\$17,510.00 (\$9,500.00) Subtotal Gain on Transactions \$8,010.00
EBBERS, BERNARD J	WILLIAMS COMMUNICATIONS GROUP	SSB, LEHM	BofA, CIBC, CSFB, DLJ, SSB, LEHM, ML	10/1/99	34,053,500	5,333,000	35,000		0.66%	\$23.00	\$23.00	10/1/99	Unrealized Loss as of		8/23/02	(\$804,405.00)
EBBERS, BERNARD J	FOCAL COMMUNICATIONS CORP	SSB	DLJ, MS, CSFB, DLJD, SSB	7/27/99	11,455,500	1,653,000	5,000		0.30%	\$13.00	\$13.00	7/27/99	\$33.1400	5,000	4/4/00	\$100,700.00
EBBERS, BERNARD J	JUNIPER NETWORKS INC	GS	CSFB, Robertson Stephens, Dain Rauscher, GS	6/24/99	4,800,000	422,400	5,000	DSP	1.18%	\$34.00	\$34.00	6/25/99	\$100.0000 \$100.3125 \$210.0000	3,600 400 1,000	6/25/99 6/25/99 4/4/00	\$237,600.00 \$26,525.00 \$176,000.00 Subtotal Gain on Transactions (DSP) \$440,125.00
EBBERS, BERNARD J	JUNO ONLINE SERVICES INC	SSB	BEAR, PW, SSB	5/25/99	7,492,750	907,250	10,000		1.10%	\$13.00	\$13.00	5/26/99	\$12.3338	10,000	4/4/00	(\$6,662.00)
EBBERS, BERNARD J	RHYTHMS NETCONNECTIONS INC	ML, SSB	CHASE HQ, WEISEL, ML, SSB	4/6/99	3,961,862	1,501,000	10,000		0.67%	\$21.00	\$21.00	4/7/99	\$27.6900	10,000	4/4/00	\$66,900.00
EBBERS, BERNARD J	EARTHSHELL CORP COM	SSB, CSFB	SSB, CSFB	3/23/98	15,254,264	3,286,064	12,500		0.38%	\$21.00	\$21.00	3/25/98	\$21.0620 \$13.5900	2,500 10,000	3/26/98 01/28/1999	\$155.00 (\$74,100.00) Subtotal Gain on Transactions (\$73,945.00) Total Gross Gain on Sales \$503,430.20
									Average 10,083				Average 0.44%			
KELLETT STILES A JR	AT&T CORP AT&T WIRELESS GROUP	ML, GS, SSB	CSFB, LEHM, MS, BofA, BEAL, BEAR, CHASE HQ, DB, DLJ, JPM, PW, PRU, SBERN, WEISEL, GS, ML, SSB	4/26/00	360,000,000	17,100,000	5,000		0.03%	\$29.50	\$29.50	4/27/00	\$30.2500	5,000	5/5/00	\$3,750.00
KELLETT STILES A JR	TELECORP PCS INC CL A	SSB	LEHM, DB, ML, SSB	11/22/99	10,580,000	1,100,000	1,100		0.10%	\$20.00	\$20.00	11/22/99 11/23/99	\$19.7500 \$35.8750	1,000 100	9/27/00 1/4/00	(\$250.00) \$1,587.50 Subtotal Gain on Transactions \$1,337.50
KELLETT STILES A JR	NETZEE INC.	ROHO	Suntrust Securities, ROHO, JC Bradford	11/9/99	4,448,155	0	8,000		N/A	\$14.00	\$14.00	11/9/99	Unrealized Loss as of		8/23/02	(\$109,680.00)
KELLETT STILES A JR	UNITED PARCEL SERVICE CL B	MS	GS, ML, CSFB, SSB, WDR, MS	11/9/99	109,400,000	3,040,000	50		0.00%	\$50.00	\$50.00	11/10/99	\$66.3125	50	1/4/00	\$815.63
KELLETT STILES A JR	WILLIAMS COMMUNICATIONS GROUP	SSB, LEHM	BofA, CIBC, CSFB, DLJ, SSB, LEHM, ML	10/1/99	34,053,500	5,333,000	700		0.01%	\$23.00	\$23.00	10/1/99	\$30.1875	700	10/6/99	\$5,031.25
KELLETT STILES A JR	TELEMATE.NET SOFTWARE INC	Soundview	JCBradford, ROHO, Soundview	9/29/99	3,500,000	0	1,500		N/A	\$14.00	\$14.00	9/29/99	\$20.5000	1,500	11/10/99	\$9,750.00
KELLETT STILES A JR	AIRGATE PCS INC	DLJ	CSFB, ROHO, DLJ	9/27/99	6,700,000	0	700		N/A	\$17.00	\$17.00	9/28/99	\$26.5625	700	10/6/99	\$6,693.75
KELLETT STILES A JR	LABRANCHE & CO INC	SSB	ABN/AMRO, SSB, DLJ	8/19/99	11,898,250	2,418,650	100		0.00%	\$14.00	\$14.00	8/19/99	\$14.2500	100	8/20/99	\$25.00
KELLETT STILES A JR	RHYTHMS NETCONNECTIONS INC	ML, SSB	CHASE HQ, WEISEL, ML, SSB	4/6/99	3,961,862	1,501,000	4,000		0.27%	\$21.00	\$21.00	4/7/99	\$86.0000	4,000	4/14/99	\$260,000.00 Total Gross Gain on Sales \$177,723.13
									Average 2,350				Average 0.04%			
ROBERTS BERT C	AT&T CORP AT&T WIRELESS GROUP	ML, GS, SSB	CSFB, LEHM, MS, BofA, BEAL, BEAR, CHASE HQ, DB, DLJ, JPM, PW, PRU, SBERN, WEISEL, GS, ML, SSB	4/26/00	360,000,000	17,100,000	3,000		0.02%	\$29.50	\$29.50	4/26/00	\$18.7656	3,000	11/28/00	(\$32,203.20)
									Average 3,000				Average 0.02%			
SULLIVAN SCOTT & CARLA	TRAVELERS PROPERTY CASUALTY	SSB	CSFB, GS, LEHM, ML, MS, BofA, BEAR, BLAY, DB, FOX-PITT, JPM, Neuberger Berman, UBS, WILLIAMS, SSB	3/21/02	271,735,681	51,263,031	3,900		0.01%	\$18.50	\$18.50	3/21/02	\$20.0100	3,900	4/4/02	\$5,889.00
SULLIVAN SCOTT & CARLA	KRAFT FOODS INC CLASS A	CSFB, SSB	DB, JPM, MS, UBS, BNP, HSBC, LEHM, BLAY, DKWSEC, PRU, RAM, SBERN, UTENDA, CSFB, SSB	6/12/01	293,740,650	20,288,980	2,000		0.01%	\$31.00	\$31.00	6/13/01	\$32.5350	2,000	8/30/01	\$3,070.00

SALOMON SMITH BARNEY (POST MERGER) IPO ALLOCATIONS\*

RESPONSE TO THE SUBPOENAS OF THE HOUSE FINANCIAL SERVICES COMMITTEE TO CITIGROUP, DATED AUGUST 14, 2002 AND AUGUST 30, 2002\*\*

HRI 10

Account Title	Issuer	Book Runner (a)(b)	Managers (a) (c)	Trade Date (d)	Total Institutional and Retail Shares (e)	SSB Retail Retention (f)	Shares Allocated to Person	DSP	% of SSB Retail (f)	Acquisition Price	IPO Price (g)	Entry Date	Sales Price	Shares Sold	Sales Date	Total Gain (Loss) (h)
SULLIVAN SCOTT & CARLA	WILLIAMS COMMUNICATIONS GROUP	SSB, LEHM	BofA, CIBC, CSFB, DLJ, SSB, LEHM, ML	10/1/99	34,053,500	5,333,000	10,000		0.19%	\$23.00	\$23.00	10/1/99	\$30.7381	10,000	10/11/99	\$77,381.00
SULLIVAN SCOTT & CARLA	IXNET INC	DLJ, SSB	ML, FUSEC, CSFBD, DLJ, SSB	8/12/99	7,475,000	650,000	5,000		0.77%	\$15.00	\$15.00	8/12/99	\$17.3750	5,000	8/26/99	\$11,875.00
SULLIVAN SCOTT & CARLA	RHYTHMS NETCONNECTIONS INC	ML, SSB	CHASE HQ, WEISEL, ML, SSB	4/6/99	3,961,862	1,501,000	7,000		0.47%	\$21.00	\$21.00	4/7/99	\$0.3700	6,000	5/10/01	(\$123,780.00)
													\$0.3300	1,000	5/14/01	(\$20,670.00)
													Subtotal Gain on Transactions			(\$144,450.00)
													Total Gross Gain on Sales			(\$46,235.00)
Average								5,580	Average	0.04%						

\* Travelers, which owned Smith Barney, acquired Salomon Brothers Inc. on 11/28/97.

\*\* This spreadsheet constitutes our response to Nos. 1, 2, 4, and 5 of the Committee's August 14, 2002 subpoena and to the Committee's August 30, 2002 subpoena. The allocation information provided is for the period in which the person served as a director or officer of WorldCom, Inc. Unless SSB was the book runner for a deal (or was the designated book runner in a joint books deal), it will not necessarily have the final allocation numbers. Similarly, final allocations are not available for all pre-merger Salomon Brothers deals. SSB has provided information where available for book runner and co-manager.

(a) Key to abbreviations: Bank of America (BofA), Bear Stearns (BEAR), Blaylock Partners (BLAY), BNP Paribas (BNP), CIBCOppenheimer (CIBC), Credit Suisse First Boston (CSFB), Credit Suisse First Boston Direct (formerly DLJDirect) (CSFBD or DLJD), Deutsche Bank (DB), Donaldson, Lufkin & Jenrette Securities Corporation (DLJ), Dresner Kleimwort (DKWSEC), First Union Securities (FUSEC), Goldman Sachs & Co. (GS), Hong Kong Shanghai Banking Corp. (HSBC), JP Morgan Chase (JPM), Lehman Bros. (LEHM), Merrill Lynch & Co. (ML), Morgan Stanley (MS), Paine Webber (PW), Prudential Securities (PRU), Ramirez (RAM), Robinson-Humphrey (ROHO), Salomon Smith Barney (SSB), Sanford Bernstein (SBERN), Thomas Weisel (WEISEL), UBS Warburg Dillon Read (WDR or UBS), Utendahl (UTENDA).

(b) The book runner is the underwriter that is principally responsible for running the offering, including, among other responsibilities, the pricing of the offering and the allocation of shares to institutional investors (the "institutional pot"), and allocating the retail aggregate to other syndicate members. The book runner also receives the largest allocation of shares for distribution to its retail customers (the "retail retention").

(c) The lead manager is the leading investment banking firm of an underwriting group organized for the purchase and distribution of a new issue of securities. The manager also acts as the agent for the rest of the syndicate members in purchasing and distributing the issue, including allocating the aggregate retail shares to each member of the underwriting syndicate and selling them to selling group members. The co-manager helps manage this process.

(d) The trade date is the date on which the IPO shares are priced. For a description of circumstances where trade dates may differ from entry dates (the date on which individual allocations are booked into customers' accounts) and related information, please see the attachment to our transmittal letter entitled "The IPO Process."

(e) Where SSB was not book runner and did not settle with the issuer, we have used the cover of the final prospectus to obtain the shares offered as an estimate of the "Total Insitutional and Retail Shares."

(f) Retail retention figures include directed share program ("DSP") shares and retail shares distributed through SSB. For Stiles A. Kellett, Jr., a zero in the retail retention column indicates that SSB did not receive a retail retention and that Mr. Kellett received his shares through ROHO. A positive number in the retail retention column indicates that Mr. Kellett may have receieved shares from shares initially retained by SSB or a separate allocation to ROHO. Because we have not determined the source, the percentage of SSB retail number may not depict the percentage of retail shares received by Mr. Kellett.

(g) The information in this column was added to the production pursuant to an oral request made by the Committee on Financial Services staff.

(h) The information in this column does not include commissions and fees.

SMITH BARNEY (PRE MERGER WITH SALOMON BROTHERS) IPO ALLOCATIONS\*

RESPONSE TO THE SUBPOENAS OF THE HOUSE FINANCIAL SERVICES COMMITTEE TO CITIGROUP, DATED AUGUST 14, 2002 AND AUGUST 30, 2002\*\*

HRI 11

Account Title	Issuer	DSP	Book Runner (a)(b)	Managers (a) (c)	Trade Date (d)	Total Institutional and Retail Shares (e)	Smith Barney Retail Retention (f)	Shares Allocated to Person	% of Smith Barney Retail (f)	Acquisition Price	IPO Price (g)	Entry Date	Sale Price	Shares Sold	Sale Date(s)	Total Gain (Loss) (h)
KELLETT STILES A JR	EDUTREK INTL INC CL A		Smith Barney	ROHO, Smith Barney	9/23/97	2,259,936	587,000	700	0.12%	\$14.00	\$14.00	9/24/97	\$25.25	700	9/30/97	\$7,875.00
KELLETT STILES A JR	A CONSULTING TEAM INC		ROHO	Wachovia, ROHO	8/8/97	1,800,000	103,000	800	0.78%	\$12.00	\$12.00	8/8/97	\$12.50	800	9/3/97	\$400.00
KELLETT STILES A JR	PAMECO CORP CLASS A		DLJ	ROHO, Schroder, DLJ	6/4/97	3,578,644	0	500	N/A	\$14.00	\$14.00	6/4/97	\$16.62	500	6/16/97	\$1,310.00
KELLETT STILES A JR	HEALTHCARE RECOVERIES INC		BEAR	DLJ, ROHO, BEAR	5/21/97	9,800,000	0	1,000	N/A	\$14.00	\$14.00	5/22/97	\$15.87	1,000	6/4/97	\$1,870.00
KELLETT STILES A JR	METRO INFORMATION SERVICES INC		BAIRD	JCBradford, ROHO, BAIRD	1/29/97	3,100,000	0	500	N/A	\$16.00	\$16.00	1/30/97	\$18.75	500	1/31/97	\$1,375.00
KELLETT STILES A JR	FIREARMS TRAINING SYSTEMS INC		BofA	Lazard, ROHO, BofA	11/26/96	6,000,000	0	1,500	N/A	\$14.00	\$14.00	11/27/96	\$14.37	1,000	1/17/97	\$370.00
													\$14.50	500	1/27/97	\$250.00
													Subtotal Gain on Transactions			\$620.00
KELLETT STILES A JR	SYNTHETIC INDUSTRIES INC		BEAR	ING Barings, BEAR	11/1/96	2,500,000	0	300	N/A	\$13.00	\$13.00	11/1/96	\$15.50	300	1/8/97	\$750.00
KELLETT STILES A JR	INGRAM MICRO INC		MS	ROHO, DB, CHASE HQ, JCBradford, MS	10/31/96	20,000,000	24,000	300	1.25%	\$18.00	\$18.00	11/1/96	\$21.50	300	11/4/96	\$1,050.00
KELLETT STILES A JR	NATIONAL OILWELL INC		ML	GS, Simmons, ML	10/28/96	4,000,000	15,000	300	2.00%	\$17.00	\$17.00	10/29/96	\$22.00	300	11/1/96	\$1,500.00
KELLETT STILES A JR	HIBBETT SPORTING GOODS INC		Smith Barney	BofA, ROHO, Smith Barney	10/10/96	2,162,200	303,200	100	0.03%	\$16.00	\$16.00	10/11/96	\$20.75	100	10/31/96	\$475.00
KELLETT STILES A JR	RMH TELESERVICES INC		Smith Barney	CHASE HQ, Smith Barney	9/18/96	3,198,100	500,000	100	0.02%	\$12.50	\$12.50	9/19/96	\$16.25	100	9/24/96	\$375.00
KELLETT STILES A JR	TELESPECTRUM WORLDWIDE INC		JPM	UBS, LEGG, ROHO, JPM	8/8/96	10,620,000	151,445	400	0.26%	\$15.00	\$15.00	8/8/96	\$17.42	400	8/30/96	\$968.00
KELLETT STILES A JR	SOURCE SERVICES CORP		ROHO	Dain Rauscher, ROHO	7/30/96	2,500,000	0	300	N/A	\$14.00	\$14.00	7/30/96	\$15.41	300	8/7/96	\$423.00
KELLETT STILES A JR	AMERICAN GENERAL HOSPITALITY		Smith Barney	PRU, LEGG, ROHO, Smith Barney	7/25/96	7,500,000	1,867,800	1,500	0.08%	\$17.75	\$17.75	7/25/96	\$17.65	1,500	7/31/96	(\$150.00)
KELLETT STILES A JR	STRAYER EDUCATION INC		LEGG	LEGG	7/25/96	3,000,000	7,000	200	2.86%	\$10.00	\$10.00	7/25/96	\$10.50	200	7/31/96	\$100.00
KELLETT STILES A JR	REMEDYTEMP INC CLASS A		UBS	ROHO, UBS	7/11/96	3,100,000	11,200	400	3.57%	\$13.00	\$13.00	7/11/96	\$15.25	400	7/17/1996 (1)	\$900.00
KELLETT STILES A JR	AIRNET SYSTEMS INC		UBS	ROHO, UBS	5/31/96	5,600,000	11,000	1,000	9.09%	\$14.00	\$14.00	5/31/96	\$12.75	1,000	7/17/96	(\$1,250.00)
KELLETT STILES A JR	TRICO MARINE SERVICES INC		Schroder	Raymond James, Simmons, Schroder	5/15/96	3,900,000	10,000	100	1.00%	\$16.00	\$16.00	5/16/96	\$28.37	100	8/20/97	\$1,237.00
KELLETT STILES A JR	NOVA CORPORATION		DB	Smith Barney, BofA, ROHO, DB	5/8/96	3,500,000	125,000	200	0.16%	\$19.00	\$19.00	5/8/96	\$38.11	200	5/31/96	\$3,822.00
KELLETT STILES A JR	TRAVELERS/AETNA PROPERTY		Smith Barney	CSFB, DW, GS, LEHM, JPM, MS, SAL, Smith Barney	4/22/96	38,032,500	13,534,888	200	0.00%	\$25.00	\$25.00	4/23/96	\$28.37	200	6/28/96	\$674.00
Total Gross Gain on Sales																\$24,324.00
Average									520	Average						
									0.03%							
SULLIVAN, SCOTT & CARLA	TELEGROUP INC		Smith Barney	DB, SG Cowen, Smith Barney	7/8/97	5,000,900	916,300	200	0.02%	\$10.00	\$10.00	7/8/97	\$0.01	200	12/8/00	(\$1,998.00)
SULLIVAN, SCOTT & CARLA	INTERSTATE HOTELS CO		ML	BofA, MS, Smith Barney, Credit Lyonnais, ML	6/19/96	11,000,000	870,000	200	0.02%	\$21.00	\$21.00	6/20/96	\$21.62	200	6/25/96	\$124.00
SULLIVAN, SCOTT & CARLA	NOVA CORPORATION		DB	Smith Barney, BofA, ROHO, DB	5/8/96	3,500,000	125,000	2,000	1.60%	\$19.00	\$19.00	5/8/96	\$34.25	1,000	6/25/96	\$15,250.00
													\$35.00	200	6/25/96	\$3,200.00
													\$34.75	800	6/25/96	\$12,600.00
													Subtotal Gain on Transactions			\$31,050.00
SULLIVAN, SCOTT & CARLA	TRAVELERS/AETNA PROPERTY		Smith Barney	CSFB, DW, GS, LEHM, JPM, MS, SAL, Smith Barney	4/22/96	38,032,500	13,534,888	2,000	0.01%	\$25.00	\$25.00	4/22/96	\$27.00	2,000	5/2/96	\$4,000.00
Total Gross Gain on Sales																\$33,176.00
Average									1,100	Average						
									0.03%							

\* Travelers, which owned Smith Barney, acquired Salomon Brothers Inc. on 11/28/97.

\*\* This spreadsheet constitutes our response to Nos. 1, 2, 4, and 5 of the Committee's August 14, 2002 subpoena and to the Committee's August 30, 2002 subpoena. The allocation information provided is for the period in which the person served as a director or officer of WorldCom, Inc. Unless SSB was the book runner for a deal (or was the designated book runner in a joint books deal), it will not necessarily have the final allocation numbers. Similarly, final allocations are not available for all pre-merger Salomon Brothers deals. SSB has provided information where available for book runner and co-manager.

(a) Key to abbreviations: Bank of America (BofA), Bear Stearns (BEAR), Credit Suisse First Boston (CSFB), Dean Witter (DW), Deutsche Bank (DB), Donaldson, Lufkin & Jenrette Securities Corporation (DLJ), Goldman Sachs & Co. (GS), JP Morgan Chase (JPM), Legg Mason (LEGG), Lehman Bros. (LEHM), Merrill Lynch & Co. (ML), Morgan Stanley (MS), Prudential Securities (PRU), Robinson-Humphrey (ROHO), Salomon Bros. (SAL), UBS Warburg Dillon Read (UBS).

(b) The book runner is the underwriter that is principally responsible for running the offering, including, among other responsibilities, the pricing of the offering and the allocation of shares to institutional investors (the "institutional pot"), and allocating the retail aggregate to other syndicate members. The book runner also receives the largest allocation of shares for distribution to its retail customers (the "retail retention").

SMITH BARNEY (PRE MERGER WITH SALOMON BROTHERS) IPO ALLOCATIONS\*

RESPONSE TO THE SUBPOENAS OF THE HOUSE FINANCIAL SERVICES COMMITTEE TO CITIGROUP, DATED AUGUST 14, 2002 AND AUGUST 30, 2002\*\*

HRI 12

Account Title	Issuer	DSP	Book Runner (a)(b)	Managers (a) (c)	Trade Date (d)	Total Institutional and Retail Shares (e)	Smith Barney Retail Retention (f)	Shares Allocated to Person	% of Smith Barney Retail (f)	Acquisition Price	IPO Price (g)	Entry Date	Sale Price	Shares Sold	Sale Date(s)	Total Gain (Loss) (h)
---------------	--------	-----	-----------------------	------------------	-------------------	--	--	----------------------------------	---------------------------------	----------------------	------------------	---------------	---------------	----------------	--------------	--------------------------

(c) The lead manager is the leading investment banking firm of an underwriting group organized for the purchase and distribution of a new issue of securities. The manager also acts as the agent for the rest of the syndicate members in purchasing and distributing the issue, including allocating the aggregate retail shares to each member of the underwriting syndicate and selling them to selling group members. The co-manager helps manage this process.

(d) The trade date is the date on which the IPO shares are priced. For a description of circumstances where trade dates may differ from entry dates (the date on which individual allocations are booked into customers' accounts) and related information, please see the attachment to our transmittal letter entitled "The IPO Process."

(e) Where Smith Barney was not book runner and did not settle with the issuer, we have used the cover of the final prospectus to obtain the shares offered as an estimate of the "Total Insitutional and Retail Shares."

(f) Retail retention figures include directed share program ("DSP") shares and retail shares distributed through Smith Barney. For Stiles A. Kellett, Jr., a zero in the retail retention column indicates that Smith Barney did not receive a retail retention and that Mr. Kellett received his shares through ROHO. A positive number in the retail retention column indicates that Mr. Kellett may have receieved shares from shares initially retained by Smith Barney or a separate allocation to ROHO. Because we have not determined the source, the percentage of Smith Barney retail number may not depict the percentage of retail shares received by Mr. Kellett.

(g) The information in this column was added to the production pursuant to an oral request made by the Committee on Financial Services staff.

(h) The information in this column does not include commissions and fees.

(i) Shares delivered out of account on this date. Total Gain (Loss) calculated using closing price on this date.

SALOMON BROTHERS (PRE MERGER WITH SMITH BARNEY) IPO ALLOCATIONS\*

RESPONSE TO THE SUBPOENAS OF THE HOUSE FINANCIAL SERVICES COMMITTEE TO CITIGROUP, DATED AUGUST 14, 2002 AND AUGUST 30, 2002\*\*

HAI 13

Account Title	Issuer	Book Runner (a) (b)	Managers (a) (c)	Trade Date (d)	Total Institutional and Retail Shares (e)	SAL Retail Retention (f)	Shares Allocated to Person	DSP	% of SAL Retail (f)	Acquisition Price	IPO Price (g)	Entry Date	Sales Price	Shares Sold	Sale Date(s)	Total Gain (Loss) (h)
CROWE, JAMES Q	QWEST COMMICNS INTL COM	SAL	SAL, DLJ, GS, ML	6/23/97	15,525,000	1,650,500	170,000		10.30%	\$22.00	\$22.00	6/25/97	\$42.7500	170,000	8/27/1997 ( 1 )	\$3,527,500.00
							Average 170,000		Average 10.30%							
EBBERS, BERNARD J	TELIGENT INC COM	SAL, ML	BEAR, GS, SAL, ML	11/21/97	5,500,000	412,500	30,000		7.27%	\$21.50	\$21.50	11/21/97	\$24.1250	12,500	12/3/97	\$32,812.50
													\$24.0000	17,500	12/4/97	\$43,750.00
																Subtotal Gain on Transactions \$76,562.50
EBBERS, BERNARD J	METROMEDIA FIBER NET A	SAL	DLJ, DB, SAL	10/28/97	9,118,462	1,237,462	100,000		8.08%	\$16.00	\$16.00	10/29/97	\$24.3750	625	2/11/98	\$5,234.38
													\$24.5000	5,000	2/12/98	\$42,500.00
													\$29.7500	1,500	2/19/98	\$20,625.00
													\$30.5000	3,000	2/20/98	\$43,500.00
													\$32.0000	5,000	3/5/98	\$80,000.00
													\$33.0000	5,000	3/6/98	\$85,000.00
													\$43.3750	200	3/20/98	\$5,475.00
													\$43.2500	800	3/20/98	\$21,800.00
													\$43.0000	4,000	3/20/98	\$108,000.00
													\$71.3800	74,875	10/28/98	\$4,146,577.50
																Subtotal Gain on Transactions \$4,558,711.88
EBBERS, BERNARD J	CHINA TELECOM LTD	GS	China Int'l Capital, MS, BEAR, DLJ, ML, GS	10/16/97	130,000,000	25,000	2,000		8.00%	\$30.50	\$30.50	10/17/97	\$26.5000	2,000	10/23/97	(\$8,000.00)
EBBERS, BERNARD J	NEXTLINK COMMUNICATIONS INC	SAL	ML, BEAR, Lazard, SAL	9/26/97	17,480,000	1,901,500	200,000		10.52%	\$17.00	\$17.00	9/26/97	\$26.0514	92,000	10/28/98	\$832,728.80
													\$26.0650	10,000	10/28/98	\$90,650.00
													\$26.2499	98,000	11/5/98	\$906,490.20
																Subtotal Gain on Transactions \$1,829,869.00
EBBERS, BERNARD J	BOX HILL SYS COM	SAL	SAL, BofA	9/16/97	6,325,000	791,500	5,000		0.63%	\$15.00	\$15.00	9/17/97	\$19.6250	5,000	9/23/97	\$23,125.00
EBBERS, BERNARD J	TV AZTECA SA SPON ADR	BEAR	Allen & Co., SAL, WDR, ML, BEAR	8/15/97	28,833,168	125,000	1,000		0.80%	\$18.25	\$18.25	8/15/97	\$19.1870	1,000	8/15/97	\$937.00
EBBERS, BERNARD J	QWEST COMMICNS INTL COM	SAL	SAL, DLJ, GS, ML	6/23/97	15,525,000	1,650,500	205,000		12.42%	\$22.00	\$22.00	6/24/97	\$28.7500	30,000	6/27/97	\$202,500.00
													\$28.1250	20,000	6/27/97	\$122,500.00
													\$28.2500	20,000	6/27/97	\$125,000.00
													\$28.5000	20,000	6/27/97	\$130,000.00
													\$28.2500	10,000	6/30/97	\$62,500.00
													\$27.1250	20,000	6/30/97	\$102,500.00
													\$28.0000	10,000	7/1/97	\$60,000.00
													\$27.7500	10,000	7/1/97	\$57,500.00
													\$27.2500	5,000	7/7/97	\$26,250.00
													\$34.8750	2,200	8/12/97	\$28,325.00
													\$40.0000	57,800	8/26/97	\$1,040,400.00
																Subtotal Gain on Transactions \$1,957,475.00
EBBERS, BERNARD J	TAG HEUER INTL SPON ADR	SAL	SAL, WDR, DLJ, MS	9/26/96 Thur	14,500,400	545,400	5,000		0.92%	\$19.55	\$19.55	9/30/96 Mon	\$20.0000	5,000	10/2/96	\$2,250.00
EBBERS, BERNARD J	MCLEOD INC COM	SAL	BEAR, MS, SAL	6/10/96	11,961,067	300,000	200,000		66.67%	\$20.00	\$20.00	6/13/96	\$29.8750	20,000	10/8/96	\$197,500.00
													\$29.8750	20,000	10/9/96	\$197,500.00
													\$29.5000	25,000	10/18/96	\$237,500.00
													\$29.7500	30,000	10/18/96	\$292,500.00
													\$29.8750	20,000	10/21/96	\$197,500.00
													\$30.0000	20,000	10/21/96	\$200,000.00
													\$30.0000	15,000	10/22/96	\$150,000.00
													\$34.8750	20,000	9/23/1996 ( 1 )	\$297,500.00
													\$34.8750	20,000	9/23/1996 ( 1 )	\$297,500.00
													\$28.7500	5,000	0/10/1996 ( 1 )	\$43,750.00
													\$28.7500	5,000	0/10/1996 ( 1 )	\$43,750.00
																Subtotal Gain on Transactions \$2,155,000.00

SALOMON BROTHERS (PRE MERGER WITH SMITH BARNEY) IPO ALLOCATIONS\*

RESPONSE TO THE SUBPOENAS OF THE HOUSE FINANCIAL SERVICES COMMITTEE TO CITIGROUP, DATED AUGUST 14, 2002 AND AUGUST 30, 2002\*\*

HPI 14

Account Title	Issuer	Book Runner (a) (b)	Managers (a) (c)	Trade Date (d)	Total Institutional and Retail Shares (e)	SAL Retail Retention (f)	Shares Allocated to Person	DSP	% of SAL Retail (f)	Acquisition Price	IPO Price (g)	Entry Date	Sales Price	Shares Sold	Sale Date(s)	Total Gain (Loss) (h)
Total Gross Gain on Sales															\$10,595,930.38	
SCOTT, WALTER JR	QWEST COMMICNS INTL COM	SAL	SAL, DLJ, GS, ML	6/23/97	15,525,000	1,650,500	Average 83,111		Average 10.70%	\$22.00	\$22.00	6/25/97	\$31.5000	250,000	7/16/1997 ( I )	\$2,375,000.00
							Average 250,000		Average 15.15%							
WILKENS, ROY A	MCLEOD INC COM	SAL	BEAR, MS, SAL	6/10/96	11,961,067	300,000	50,000		16.67%	\$20.00	\$20.00	6/13/96	\$26.5000	50,000	8/12/96	\$325,000.00
							Average 50,000		Average 16.67%							

\* Travelers, which owned Smith Barney, acquired Salomon Brothers Inc. on 11/28/97.

\*\* This spreadsheet constitutes our response to Nos. 1, 2, 4, and 5 of the Committee's August 14, 2002 subpoena and to the Committee's August 30, 2002 subpoena. The allocation information provided is for the period in which the person served as a director or officer of WorldCom, Inc. Unless SSB was the book runner for a deal (or was the designated book runner in a joint books deal), it will not necessarily have the final allocation numbers. SSB has provided information where available for book runner and co-manager.

(a) Key to abbreviations: Bank of America (BoFA), Bear Stearns (BEAR), Deutsche Bank (DB), Donaldson, Lufkin & Jenrette Securities Corporation (DLJ), Goldman Sachs & Co. (GS), Merrill Lynch & Co. (ML), Morgan Stanley (MS), Salomon Bros. (SAL), UBS Warburg Dillon Read (WDR).

(b) The book runner is the underwriter that is principally responsible for running the offering, including, among other responsibilities, the pricing of the offering and the allocation of shares to institutional investors (the "institutional pot"), and allocating the retail aggregate to other syndicate members. The book runner also receives the largest allocation of shares for distribution to its retail customers (the "retail retention").

(c) The lead manager is the leading investment banking firm of an underwriting group organized for the purchase and distribution of a new issue of securities. The manager also acts as the agent for the rest of the syndicate members in purchasing and distributing the issue, including allocating the aggregate retail shares to each member of the underwriting syndicate and selling them to selling group members. The co-manager helps manage this process.

(d) The trade date is the date on which the IPO shares are priced. For a description of circumstances where trade dates may differ from entry dates (the date on which individual allocations are booked into customers' accounts) and related information, please see the attachment to our transmittal letter entitled "The IPO Process."

(e) Where Salomon was not book runner and did not settle with the issuer, we have used the cover of the final prospectus to obtain the shares offered as an estimate of the "Total Insitutional and Retail Shares."

(f) Retail retention figures include directed share program ("DSP") shares and retail shares distributed through Salomon.

(g) The information in this column was added to the production pursuant to an oral request made by the Committee on Financial Services staff.

(h) The information in this column does not include commissions and fees.

(I) Shares delivered out of account on this date. Total Gain (Loss) calculated using closing price on this date.